


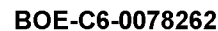
## MEMORANDUM

TO: TOM TAIT  
FROM: TOM OVERTURF   
DATE: May 29, 1997  
SUBJECT: U. P. Rail Crossing @ Harbor Gateway Center, City of Los Angeles

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1. Attached Memo from Mario Stavale outlines the history and the items still to be accomplished... but it doesn't convey the total frustration of our management team with the lack of a defined process in obtaining a critical rail crossing.
2. We have been led on a totally circular path between the railroads and the city well over a year now...and we haven't even gotten an Official Application in process, so we definitely need your assistance in getting out of the trenches and into the decision-makers.
3. Please set up a meeting at the earliest date possible with the most influential, politically-astute decision maker available at the railroad and I'll get our President or whoever it takes.
4. I really appreciate your willingness to ask Scott to assist.. we really need the help!!!!

**VICINITY**  
NO SCALE



## **RAILROAD CROSSINGS**

- McDonnell Douglas Realty Company ("MDRC") is the owner in fee of a 170 acre parcel of land located in the City of Los Angeles bounded on the north by 190<sup>th</sup> Street, on the east by Normandie Avenue, on the south by Montrose Chemical, Jones Chemical and residential properties, and on the west by Western Avenue, Capitol Metals and the former International Light Metals facility.
- The property has been operated by McDonnell Douglas since 1954 as an aircraft manufacturing facility. In 1992, all manufacturing ceased and since that date the plant has been used as a warehousing facility.
- MDRC is currently engaged in the entitlement process with the City of Los Angeles in order to re-develop the single parcel into a multi-parcel retail/office/light industrial complex (170 acres).
- The MDRC property is bounded on the east by Normandie Avenue and a branch railroad line currently operated by Union Pacific Railroad Company (formerly Southern Pacific).
- A key element for ready access into the retail/industrial facility is entry into the complex via Normandie Avenue. Currently, there is one private over-rail crossing located on the southern boundary of the site along Normandie Avenue which has been utilized by McDonnell Douglas for the past forty (40) years.
- MDRC's objective is to convert the existing private crossing to a public crossing and secure at least one (1) additional over new-rail crossing along Normandie Avenue. In addition, MDRC will need to convert one private crossing within the 170 acre parcel to a public crossing.
- MDRC has hired Planning Associates Company, David Grannis and Shannon Smith, to assist and advise MDRC in its efforts to reach its object.
- Over the past year, MDRC has engaged the Southern Pacific Railroad in negotiations and secured by means of a Letter Agreement the following:
  - The railroad would not oppose MDRC's efforts to secure the noted railroad crossings;
  - MDRC would be responsible for the cost of construction/conversion of the rail crossings;
  - MDRC or its assignee would maintain the rail crossings; and
  - MDRC or its assignee would insure and hold the railroad harmless for any liability concerning the operation of the crossings.

- As you are aware, in September, 1997, Union Pacific acquired Southern Pacific. Consequently, MDRC's focus shifted from the Denver/San Francisco operation centers of Southern Pacific to the local (Monterey Park, CA) Union Pacific office.
- Initially, the Union Pacific was somewhat reluctant to assist MDRC with its objective. However, after a review of the Southern Pacific letter, the Union Pacific representatives have become more cooperative.
- Union Pacific's Engineering organization has been slow to respond to the plans forwarded to railroad about four (4) weeks ago.
- The City of Los Angeles has agreed in principle to file the PUC application on behalf of MDRC via the Department of Transportation. The City has requested that MDRC and Union Pacific execute a Memorandum of Understanding (i.e., confirming the Southern Pacific Letter). This document is under negotiation.
- The City will require City of Los Angeles Council approval to file the PUC application. A draft motion is currently being circulated among the parties.
- What remains to be accomplished to file the PUC application:
  1. Close of Memorandum of Understanding.
  2. City Council approval of the motion to file the application.
  3. A response from the Union Pacific's Engineering Department regarding the MDRC plans.
  4. A sub-easement granted to the City to cross the rail crossings (all crossings will be attached to dedicated streets).
  5. City of Los Angeles PUC application preparation (will be completed by Planning Associates for the City).
  6. Union Pacific's agreement to an expedited engineering and construction phase for the crossings. The planned 195<sup>th</sup> Street crossing needs to be operational by June, 1998.

SMS:kk S:\Devmnt\Kistler\Mario\KKMS0007.doc

170 Ave  
largest  
undeveloped

<sup>new</sup> 2<sup>nd</sup> RR crossing critical to Retail Develop.

Walter W. Lutzcomb  
General Solicitor, U.P.

(213) 980-6889 (SOC)  
980-6500

- ① So Pacific as basis of transaction - Letter Agreement
- ② Memorandum of Understanding / So Pacific  
(City of L.A. requirement - Jeff A. [unclear] in  
Monterey Park - he has approved MOC, and  
passed it to Richard Gonzalez (Engineering)

SCOTT  
FARVOT

Gonzalez to Omaha for signature & approval  
'Engineering by Union Pacific' fine line?

Construction of MORE?

- ③ City Motion has been introduced by City Council.

now that we've finally worked thru City of L.A.  
How do

WHT COMB

another issue: Ownership of underlying land  
R.R. pass on it <sup>the</sup> pleasure to us to avoid  
prolonged condemnation action.

13.372

**MCDONNELL DOUGLAS**

*McDonnell Douglas Realty Company*

June 17, 1997

Mr. Mike Whitcomb  
General Solicitor  
**UNION PACIFIC LINES**  
1200 Corporate Center Drive, 3<sup>rd</sup> Floor  
Monterey Park, California 91754

Re: Overrail Crossings, Harbor Gateway Center

Dear Mike:

Thank you for allowing us to review with you and Scott Baugh, our 170 acre development project. This is an important project for McDonnell Douglas and the City of Los Angeles. It's success will depend to a great extent on the timely approval for a new overrail crossing from Normandie Avenue to our retail site at 195<sup>th</sup> (Knox) as shown on the attached site plan by Tait Engineering

Our schedule is to obtain all approvals by this summer and to complete the Civil Engineering and design by December 31, 1997 so we can commence construction early in 1998. The retail phase is scheduled to open in the fall of 1998, so we must assure the simultaneous processing and approvals of your company, the City and Public Utilities Commission.

Attached also for your information are copies of:

- Cerrell's Memorandum and Motion to Los Angeles City Council, June 13, 1997.
- Memorandum of Understanding, June 4, 1997

Mike, we greatly appreciate your assistance in working with Mr. Richard Gonzalez and Mr. Jeff Asay to keep the process moving through your company and to consider our request to be responsible for both the engineering construction documents and the actual construction of the railroad crossings and safety devices, subject of course to your approval of all elements including contractor selection and final punch list inspections. Thanks again for your assistance.

Sincerely,  
MCDONNELL DOUGLAS REALTY COMPANY



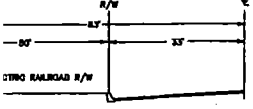
Thomas A. Overturf  
Director, Development

TAO:kk S:\Devmnt\Kistler\TomO\KKTO1953.doc

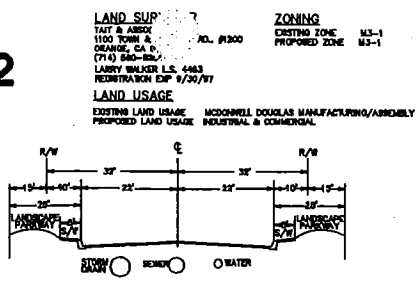
cc: Tom Tait

4060 Lakewood Blvd., 6th Floor, Long Beach, CA 90808-1700 (310) 627-3200 Fax (310) 627-3109

VESTING  
TRACT NO. 52172  
OF LOS ANGELES,  
ANGELES, STATE OF CALIFORNIA  
ION PURPOSES ONLY



TYPICAL STREET SECTION  
NORMANDIE AVENUE  
(N.T.S.)



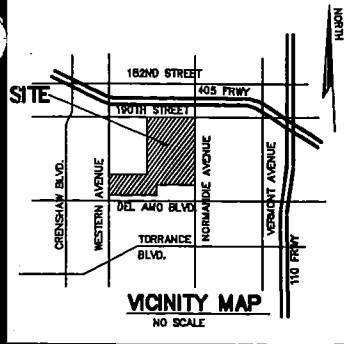
TYPICAL STREET SECTION  
'A', 'B' & 'C' STREET  
(N.T.S.)

LAND SUP  
TAT & ASSOC  
1100 TOWN & COUNTRY  
ORANGE, CA 92667  
(714) 840-1500  
LARRY MAUER L.S. 4463  
REDISTRIBUTION EXP. 6/30/97  
LAND USAGE  
EXISTING LAND USAGE McDONNELL DOUGLAS MANUFACTURING/ASSEMBLY  
PROPOSED LAND USAGE INDUSTRIAL & COMMERCIAL

ZONING  
EXISTING ZONE M3-1  
PROPOSED ZONE M3-1

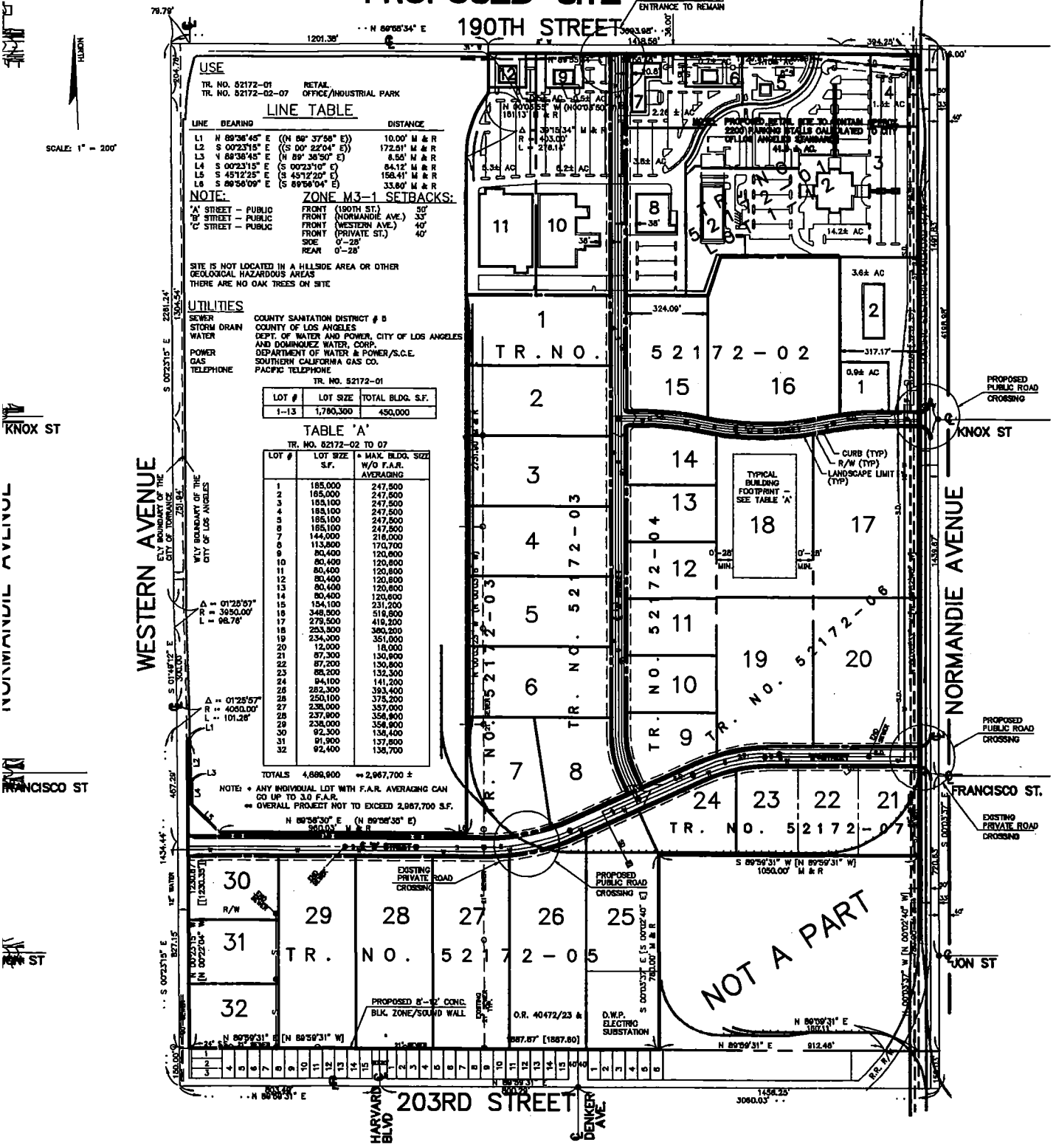
AREA SUMMARY  
1. GROSS AREA (TO CENTERLINE OF ABUTTING)  
7,233,000 S.F. 172,400 AC.  
2. NET AREA (PER TITLE REPORT DESCRIPTION)  
7,440,070 S.F. 170.81 AC.

RECORD OWNER AND SUBDIVIDER  
MCDONNELL DOUGLAS REALTY COMPANY  
4000 LANDVIEW BLVD., 8TH FLOOR  
LONG BEACH, CA 90808-1700  
(310) 827-2514



VICINITY MAP  
NO SCALE

PROPOSED SITE



USE  
TR. NO. 52172-01 RETAIL  
TR. NO. 52172-02-07 OFFICE/INDUSTRIAL PARK

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 89°36'45" E (N 89°37'58" E)	10.00' M & R
L2	S 00°23'15" E (S 00°22'04" E)	172.51' M & R
L3	V 89°36'45" E (N 89°36'50" E)	8.55' M & R
L4	S 00°23'15" E (S 00°23'10" E)	84.12' M & R
L5	S 45°12'25" E (S 45°12'20" E)	158.41' M & R
L6	S 89°56'09" E (S 89°56'04" E)	33.80' M & R

NOTE:  
'A' STREET - PUBLIC  
'B' STREET - PUBLIC  
'C' STREET - PUBLIC

ZONE M3-1 SETBACKS:  
FRONT (190TH ST.) 30'  
FRONT (NORMANDIE AVE.) 33'  
FRONT (WESTERN AVE.) 40'  
SIDE 0'-25'  
REAR 0'-25'

SITE IS NOT LOCATED IN A HILLSIDE AREA OR OTHER  
GEOLOGICAL HAZARDOUS AREAS  
THERE ARE NO OAK TREES ON SITE

UTILITIES

SEWER COUNTY SANITATION DISTRICT # 8  
STORM DRAIN COUNTY OF LOS ANGELES  
WATER DEPT. OF WATER AND POWER, CITY OF LOS ANGELES  
POWER AND DOMINIQUE WATER, CORP.  
GAS DEPARTMENT OF WATER & POWER/S.C.E.  
TELEPHONE SOUTHERN CALIFORNIA GAS CO.  
PACIFIC TELEPHONE

TR. NO. 52172-01

LOT #	LOT SIZE	TOTAL BLDG. S.F.
1-13	1,790,300	450,000

TABLE 'A'

TR. NO. 52172-02 TO 07

LOT #	LOT SIZE S.F.	MAX. BLDG. SIZE W/O F.A.R. AVERAGING
1	185,000	247,500
2	185,000	247,500
3	185,100	247,500
4	185,100	247,500
5	185,100	247,500
6	185,100	247,500
7	144,000	218,000
8	113,800	170,700
9	85,400	120,800
10	80,400	120,800
11	80,400	120,800
12	80,400	120,800
13	80,400	120,800
14	80,400	120,800
15	154,100	231,200
16	348,500	518,500
17	279,500	419,200
18	253,500	360,200
19	234,500	351,000
20	12,000	18,000
21	67,300	130,800
22	87,200	130,800
23	85,200	132,500
24	94,100	141,200
25	282,300	393,400
26	250,100	375,200
27	238,000	357,000
28	237,900	358,900
29	238,000	358,900
30	92,500	137,800
31	91,900	136,700
32	92,400	136,700
TOTALS	4,689,900	2,967,700 ±

NOTE: \* ANY INDIVIDUAL LOT WITH F.A.R. AVERAGING CAN GO UP TO 3.0 F.A.R.  
\*\* OVERALL PROJECT NOT TO EXCEED 2,967,700 S.F.

1100 TOWN & COUNTRY ROAD  
SUITE 1500  
P.O. Box 429  
Orange, California 92668  
(714) 840-4200  
(714) 840-4200 FAX

VESTING TENTATIVE TRACT NO. 52172  
MCDONNELL DOUGLAS REALTY CO.  
4000 LANDVIEW BLVD., 8TH FLOOR  
LONG BEACH, CA 90808-1700  
HARBOR GATEWAY  
LOS ANGELES

DATE: 3/9/98  
CHECKED: G.B.S.  
DRAWN: L.A.C.  
PROJECT: PROJECT: 35320B  
JOB NO. 35320B

# Memorandum

**CERRELL**  
ASSOCIATES INC.

TO: TOM OVERTURE  
MARIO STAVALE

FROM: KATE LOCKARD *KRL*

DATE: JUNE 13, 1997

SUBJECT: COUNCIL ACTION ON FRIDAY, JUNE 13, 1997

320 North Larchmont Boulevard  
Los Angeles, California 90004  
213-466-3445  
FAX: 213-466-8653

a partner  
in  
The  
**WORLDWIDE**  
GROUP INC.

Today, Los Angeles City Councilman Rudy Svorinich, Jr. introduced a motion instructing the Department of Transportation (DOT) to submit an application to the California Public Utilities Commission (PUC) regarding rail crossings for the McDonnell Douglas Harbor Gateway site. Svorinich was able to get Councilman Nate Holden to second the motion. This is important because the motion would normally go to Holden's Transportation Committee. Using Rule 16, however, the motion will bypass the committee and be heard by the full City Council on June 24 or June 25.

Kindest regards.

cc: Howard H. Sunkin



**MOTION**

Harbor Gateway Center is a project consisting of three million square feet of retail, office and industrial park development on a 170-acre site formerly used by the U.S. Navy and then the Douglas Aircraft Company for the manufacture of warcraft and aircraft parts. The site is approximately bounded by 190th Street, Normandie Avenue, Del Amo Boulevard and Western Avenue. The manufacturing activity ceased in 1982 and the site is currently used for warehousing and distribution operations.

The Harbor Gateway Center is a project of McDonnell Douglas Realty Company to redevelop the site in a manner that would replace underutilized, obsolete and inefficient industrial facilities with viable retail and office/industrial park uses. The proposed project represents a comprehensive planned development that will not only enhance the community, but will also provide high quality, high wage employment opportunities in a range of occupations, enhance the aesthetics of the area, and maximize the fiscal benefits to the City in terms of sales and property tax revenues.

Since the project is estimated to generate more than 20,000 new vehicle trips per day, the site improvements will include two east-west streets within the project site, as well as improvements to adjacent signals and mitigation of the project's traffic impact at 190th Street and Normandie Avenue. One signal improvement will be at Francisco Street and Normandie; and a new signal will be installed at Knox Street and Normandie Avenue, where a new 195th Street will be developed through the project.

The development of the necessary street system for the Harbor Gateway Center requires access to Normandie Avenue. Because there is a Union Pacific railroad track crossing the proposed street system, the full development of the Center will require crossing the existing tracks. The current Union Pacific railroad tracks that run north-south along the westside of Normandie Avenue and eastside of the Harbor Gateway Center are very lightly utilized, with no more than one train per day. Because the train traffic is light, and since there are other at-grade crossings nearby, it is only reasonable to provide at-grade crossings of the tracks.

I THEREFORE MOVE that the Council instruct the Department of Transportation to submit an application to the California Public Utilities Commission for approval to: (1) relocate and upgrade the existing at-grade crossing at Douglas Driveway opposite Francisco Street and to permit such crossing to be a public street crossing connecting to Normandie Avenue; (2) upgrade an existing at-grade crossing of a spur track that is connected to the Union Pacific railroad track along Normandie Avenue, and that is located across Douglas Driveway approximately 1,400 feet east of Western Avenue; and (3) install a new at-grade public street crossing connecting the new 195th Street with Normandie Avenue opposite Knox Street.

KATE LOCKHART

213/416-8653

Presented by:

*Rudy Svorinich, Jr.*

Rudy Svorinich, Jr.  
Councilman, 15th District

Seconded by:

*Nate Holden*

Nate Holden  
Councilman, 10th District

June 13, 1997

Re: Harbor Gateway Center

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is entered into as of June 4, 1997, by and between McDonnell Douglas Realty Company, a California corporation ("MDRC"), and Union Pacific Railroad Company, a Utah corporation ("Union Pacific").

### RECITALS

A. MDRC is the owner of approximately 170 acres of real property located in the City of Los Angeles (the "City"), south of 190th Street and between Normandie Avenue and Western Avenue (the "Property"). Union Pacific, through its subsidiary Southern Pacific Transportation Company ("SP"), a Delaware corporation, is the owner of a rail line and right of way known as the Torrance Branch which is located adjacent to the Property.

B. MDRC is in the process of obtaining entitlements from the City to redevelop the Property with retail, industrial and office uses, which redevelopment project is commonly referred to as the "Harbor Gateway Center Project."

C. In connection with the Harbor Gateway Center Project, MDRC, in cooperation with the City, must obtain the approval of the California Public Utilities Commission (the "PUC") (i) to relocate an existing private crossing and to make it available for use by the public as part of a public street, (ii) to provide up to two (2) additional public street crossings of the Union Pacific rail line along the west side of Normandie Avenue adjacent to the Property, and (iii) to provide a new public street crossing of a spur track located on the Property that is connected to the Union Pacific rail line along Normandie Avenue.

D. The parties have agreed to cooperate in seeking the required PUC approvals and in the construction and maintenance of the approved crossings, all as more fully set forth herein.

NOW, THEREFORE, MDRC and Union Pacific agree as follows:

1. Upon the terms and conditions hereinafter set forth, Union Pacific shall cooperate with MDRC and City to obtain PUC approval of the crossings described above in the Recital C.

2. The City shall make application to the PUC for the crossings.
3. City's application to the PUC shall specify that crossing gates and flashers will be installed at each crossing in Recital C, and City and MDRC shall cooperate to obtain PUC approval of such warning devices.
4. City's application to the PUC shall specify that City, through MDRC or its designee, is to be responsible for the entire cost of design and construction of the PUC-approved crossings and all costs of future maintenance of such crossings. Union Pacific or its successors in interest shall not be responsible for the costs of construction or maintenance of the PUC-approved crossings.
5. MDRC shall offer to Union Pacific to provide adequate continuing insurance against liability arising from crossing accidents on the PUC-approved crossings in an amount which is mutually acceptable to Union Pacific and MDRC and which names Union Pacific as an additional insured.
6. Union Pacific shall be responsible for the design of the PUC-approved crossings and, concurrently with the execution hereof, MDRC shall pay to Union Pacific \$25,000.00 as a deposit against the costs to be reasonably incurred by Union Pacific in connection with such design work, all of which costs shall be the responsibility of MDRC. Unless some other arrangements are mutually agreed to, upon receipt of invoice, MDRC shall pay to Union Pacific all costs incurred by Union Pacific for labor and materials required to construct the PUC-approved crossings. Material costs shall be payable in advance.
7. This MOU shall be replaced by Union Pacific's standard crossing agreements at an appropriate time in the future following PUC approval of the crossings.

IN WITNESS WHEREOF, MDRC and Union Pacific have entered into this MOU as of the date first above written.

MCDONNELL DOUGLAS REALTY COMPANY,

By: \_\_\_\_\_

UNION PACIFIC RAILROAD

By: \_\_\_\_\_

*Original signed  
in Fire Safe.*